

SENATE BILL 2190

By Niceley

AN ACT to amend Tennessee Code Annotated, Section 57-3-207, relative to wineries.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-3-207(q)(1), is amended by deleting the language "has a total annual wine production of fifty thousand gallons (50,000 gals.)" and substituting instead the language "pays taxes under § 57-3-302(a) at their licensed facility on seventy-five thousand gallons (75,000 gals.)".

SECTION 2. Tennessee Code Annotated, Section 57-3-207(q), is amended by deleting subdivisions (2)-(5) and substituting:

(2) A winery holding a self-distribution permit under this subsection (q) may distribute wine manufactured, produced, or bottled on the winery's premises to a licensee holding a license issued pursuant to chapter 4, part 1 of this title:

(A) In the county in which the winery is located; and

(B) Outside the county in which the winery is located if the winery:

(i) Self-distributes not more than six thousand (6,000) cases of wine annually; and

(ii) Is not prohibited from self-distribution in the particular county by the winery's contract with a wholesaler.

(3) A winery self-distributing outside the county in which the winery is located shall not self-distribute more than six thousand (6,000) cases of wine annually in this state.

(4) If a winery self-distributes more than six thousand (6,000) cases of wine in a year, including in one (1) or more counties outside the county in which the winery is

located, the winery shall enter into a contract with a wholesaler to distribute the manufacturer's wine within ninety (90) days of exceeding such limitation.

(5) A winery engaged in self-distribution under this section is responsible for all taxes and records that are imposed upon a wholesaler under § 57-3-203 that result from direct sales under this subsection (q).

(6) The commission shall not impose an additional fee or charge for the issuance of a self-distribution permit under this subsection (q).

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.